

**CONTESTED CASES CONDUCTED UNDER THE
ADMINISTRATIVE PROCEDURE ACT****CHAPTER 625**

S.B. No. 1267

AN ACT**relating to contested cases conducted under the Administrative Procedure Act.***Be it enacted by the Legislature of the State of Texas:***SECTION 1.** Section 2001.052, Government Code, is amended to read as follows:**Sec. 2001.052. CONTENTS OF NOTICE.** (a) Notice of a hearing in a contested case must include:

- (1) a statement of the time, place, and nature of the hearing;
- (2) a statement of the legal authority and jurisdiction under which the hearing is to be held;
- (3) a reference to the particular sections of the statutes and rules involved; and
- (4) a short, plain statement of the *factual* matters asserted.

(b) If a state agency or other party is unable to state *factual* matters in detail at the time notice under this section is served, an initial notice may be limited to a statement of the issues involved. On timely written application, a more definite and detailed statement of the facts shall be furnished not less than seven ~~three~~ days before the date set for the hearing. *In a proceeding in which the state agency has the burden of proof, a state agency that intends to rely on a section of a statute or rule not previously referenced in the notice of hearing must amend the notice to refer to the section of the statute or rule not later than the seventh day before the date set for the hearing. This subsection does not prohibit the state agency from filing an amendment during the hearing of a contested case provided the opposing party is granted a continuance of at least seven days to prepare its case on request of the opposing party.*

(c) *In a suit for judicial review of a final decision or order of a state agency in a contested case, the state agency's failure to comply with Subsection (a)(3) or (b) shall constitute prejudice to the substantial rights of the appellant under Section 2001.174(2) unless the court finds that the failure did not unfairly surprise and prejudice the appellant or that the appellant waived the appellant's rights.*

SECTION 2. Section 2001.054, Government Code, is amended by adding Subsections (c-1) and (e) to read as follows:

(c-1) *A state agency that has been granted the power to summarily suspend a license under another statute may determine that an imminent peril to the public health, safety, or welfare requires emergency action and may issue an order to summarily suspend the license holder's license pending proceedings for revocation or other action, provided that the agency incorporates a factual and legal basis establishing that imminent peril in the order. Unless expressly provided otherwise by another statute, the agency shall initiate the proceedings for revocation or other action not later than the 30th day after the date the summary suspension order is signed. The proceedings must be promptly determined, and if the proceedings are not initiated before the 30th day after the date the order is signed, the license holder may appeal the summary suspension order to a Travis County district court. This subsection does not grant any state agency the power to suspend a license without notice and an opportunity for a hearing.*

(e) *In a suit for judicial review of a final decision or order of a state agency brought by a license holder, the agency's failure to comply with Subsection (c) shall constitute prejudice to the substantial rights of the license holder under Section 2001.174(2) unless the court determines that the failure did not unfairly surprise and prejudice the license holder.*

SECTION 3. Sections 2001.141(a), (b), and (e), Government Code, are amended to read as follows:

(a) A decision or order of a state agency that may become final under Section 2001.144 that is adverse to any [a] party in a contested case must be in writing and signed by a person authorized by the agency to sign the agency decision or order [stated in the record].

(b) A decision or order that may become final under Section 2001.144 must include findings of fact and conclusions of law, separately stated.

(e) If a party submits under a state agency rule proposed findings of fact or conclusions of law, the decision or order shall include a ruling on each proposed finding or conclusion.

SECTION 4. Section 2001.142, Government Code, is amended to read as follows:

Sec. 2001.142. NOTIFICATION OF DECISIONS AND ORDERS. (a) A state agency shall notify each party to [in] a contested case [shall be notified either personally or by first class mail] of any decision or order of the agency in the following manner:

(1) personally;

(2) if agreed to by the party to be notified, by electronic means sent to the current e-mail address or telecopier number of the party's attorney of record or of the party if the party is not represented by counsel; or

(3) by first class, certified, or registered mail sent to the last known address of the party's attorney of record or of the party if the party is not represented by counsel.

(b) When a decision or order [On issuance] in a contested case [of a decision] that may become final under Section 2001.144 is signed or when an order ruling on a motion for rehearing is signed, a state agency shall deliver or send a copy of the decision or order to each party in accordance with Subsection (a). The state agency shall keep a record documenting the provision of the notice provided to each party in accordance with Subsection (a) [by first class mail to the attorneys of record and shall keep an appropriate record of the mailing. If a party is not represented by an attorney of record, the state agency shall send a copy of the decision or order by first class mail to the party and shall keep an appropriate record of the mailing].

(c) If an adversely affected party or the party's attorney of record does not receive the notice required by Subsections (a) and (b) or acquire actual knowledge of a signed decision or order before the 15th day after the date the decision or order is signed, a period specified by or agreed to under Section 2001.144(a), 2001.146, 2001.147, or 2001.176(a) relating to a decision or order or motion for rehearing begins, with respect to that party, on the date the party receives the notice or acquires actual knowledge of the signed decision or order, whichever occurs first. The period may not begin earlier than the 15th day or later than the 90th day after the date the decision or order was signed [A party or attorney of record notified by mail under Subsection (b) is presumed to have been notified on the third day after the date on which the notice is mailed].

(d) To establish a revised period under Subsection (c), the adversely affected party must prove, on sworn motion and notice, that the date the party received notice from the state agency or acquired actual knowledge of the signing of the decision or order was after the 14th day after the date the decision or order was signed.

(e) The state agency must grant or deny the sworn motion not later than the date of the agency's governing board's next meeting or, for a state agency without a governing board with decision-making authority in contested cases, not later than the 10th day after the date the agency receives the sworn motion.

(f) If the state agency fails to grant or deny the motion at the next meeting or before the 10th day after the date the agency receives the motion, as appropriate, the motion is considered granted.

(g) If the sworn motion filed under Subsection (d) is granted with respect to the party filing that motion, all the periods specified by or agreed to under Section 2001.144(a), 2001.146, 2001.147, or 2001.176(a) relating to a decision or order, or motion for rehearing, shall begin on the date specified in the sworn motion that the party first received the notice required by Subsections (a) and (b) or acquired actual knowledge of the signed de-

cision or order. The date specified in the sworn motion shall be considered the date the decision or order was signed.

SECTION 5. The heading to Section 2001.143, Government Code, is amended to read as follows:

Sec. 2001.143. TIME OF ~~RENDERING~~ DECISION.

SECTION 6. Sections 2001.143(a) and (b), Government Code, are amended to read as follows:

(a) A decision or order that may become final under Section 2001.144 in a contested case *should* ~~must~~ be signed ~~rendered~~ not later than the 60th day after the date on which the hearing is finally closed.

(b) In a contested case heard by other than a majority of the officials of a state agency, the agency or the person who conducts the contested case hearing may extend the period in which the decision or order may be signed ~~issued~~.

SECTION 7. Section 2001.144, Government Code, is amended to read as follows:

Sec. 2001.144. DECISIONS OR ORDERS; WHEN FINAL. (a) A decision or order in a contested case is final:

(1) if a motion for rehearing is not filed on time, on the expiration of the period for filing a motion for rehearing;

(2) if a motion for rehearing is filed on time, on the date:

(A) the order overruling the motion for rehearing is signed ~~rendered~~; or

(B) the motion is overruled by operation of law;

(3) if a state agency finds that an imminent peril to the public health, safety, or welfare requires immediate effect of a decision or order, on the date the decision or order is signed, *provided that the agency incorporates in the decision or order a factual and legal basis establishing an imminent peril to the public health, safety, or welfare* ~~rendered~~; or

(4) on:

(A) the date specified in the decision or order for a case in which all parties agree to the specified date in writing or on the record; or

(B) ~~if the agreed specified date is not before the date the decision or order is signed, the date the decision or order is signed~~ ~~[or later than the 20th day after the date the order was rendered]~~.

(b) If a decision or order is final under Subsection (a)(3), a state agency must recite in the decision or order the finding made under Subsection (a)(3) and the fact that the decision or order is final and effective on the date signed ~~rendered~~.

SECTION 8. Section 2001.145(b), Government Code, is amended to read as follows:

(b) A decision or order that is final under Section 2001.144(a)(2), (3), or (4) is appealable.

SECTION 9. Section 2001.146, Government Code, is amended by amending Subsections (a), (b), (c), (e), and (f) and adding Subsections (g), (h), and (i) to read as follows:

(a) A motion for rehearing in a contested case must be filed by a party not later than the 25th ~~20th~~ day after the date ~~on which~~ the decision or order that is the subject of the motion is signed, unless the time for filing the motion for rehearing has been extended under Section 2001.142, by an agreement under Section 2001.147, or by a written state agency order issued under Subsection (e). On filing of the motion for rehearing, copies of the motion shall be sent to all other parties using the notification procedures specified by Section 2001.142(a) ~~[party or the party's attorney of record is notified as required by Section 2001.142 of a decision or order that may become final under Section 2001.144]~~.

(b) A party must file with the state agency a reply, if any, to a motion for rehearing ~~[must be filed with the state agency]~~ not later than the 40th ~~30th~~ day after the date ~~on which the party or the party's attorney of record is notified as required by Section~~

~~2001.142 of~~ the decision or order that is the subject of the motion is signed, or not later than the 10th day after the date a motion for rehearing is filed if the time for filing the motion for rehearing has been extended by an agreement under Section 2001.147 or by a written state agency order under Subsection (e). On filing of the reply, copies of the reply shall be sent to all other parties using the notification procedures specified by Section 2001.142(a) ~~[or order that may become final under Section 2001.144]~~.

(c) A state agency shall act on a motion for rehearing not later than the 55th ~~[45th]~~ day after the date ~~[on which the party or the party's attorney of record is notified as required by Section 2001.142 of]~~ the decision or order that is the subject of the motion is signed ~~[that may become final under Section 2001.144]~~ or the motion for rehearing is overruled by operation of law.

(e) A state agency may, on its own initiative or on the motion of any party for cause shown, by written order extend the time for filing a motion or reply or taking agency action under this section, provided that the agency extends the time or takes the action not later than the 10th day after the date the period for filing a motion or reply or taking agency action expires. ~~An~~ ~~[except that an]~~ extension may not extend the period for agency action beyond the 100th ~~[90th]~~ day after the date ~~[on which the party or the party's attorney of record is notified as required by Section 2001.142 of]~~ the decision or order that is the subject of the motion is signed ~~[that may become final under Section 2001.144]~~.

(f) In the event of an extension, a motion for rehearing is overruled by operation of law on the date fixed by the order or, in the absence of a fixed date, ~~the 100th day~~ ~~[90 days]~~ after the date ~~[on which the party or the party's attorney of record is notified as required by Section 2001.142 of]~~ the decision or order that is the subject of the motion is signed ~~[that may become final under Section 2001.144]~~.

(g) A motion for rehearing must identify with particularity findings of fact or conclusions of law that are the subject of the complaint and any evidentiary or legal ruling claimed to be erroneous. The motion must also state the legal and factual basis for the claimed error.

(h) A subsequent motion for rehearing is not required after a state agency rules on a motion for rehearing unless the order disposing of the original motion for rehearing:

(1) modifies, corrects, or reforms in any respect the decision or order that is the subject of the complaint, other than a typographical, grammatical, or other clerical change identified as such by the agency in the order, including any modification, correction, or reformation that does not change the outcome of the contested case; or

(2) vacates the decision or order that is the subject of the motion and provides for a new decision or order.

(i) A subsequent motion for rehearing required by Subsection (h) must be filed not later than the 20th day after the date the order disposing of the original motion for rehearing is signed.

SECTION 10. Section 2001.176(a), Government Code, is amended to read as follows:

(a) A person initiates judicial review in a contested case by filing a petition not later than the 30th day after the date ~~[on which]~~ the decision or order that is the subject of complaint is final and appealable. *In a contested case in which a motion for rehearing is a prerequisite for seeking judicial review, a prematurely filed petition is effective to initiate judicial review and is considered to be filed:*

(1) on the date the last timely motion for rehearing is overruled; and

(2) after the motion is overruled.

SECTION 11. The changes in law made by this Act to Chapter 2001, Government Code, apply only to an administrative hearing that is set by the State Office of Administrative Hearings, or another state agency conducting an administrative hearing, on or after the effective date of this Act. A hearing set before the effective date of this Act, or any decision issued or appeal from the hearing, is governed by the law in effect when the hearing was set, and the former law is continued in effect for that purpose.

SECTION 12. This Act takes effect September 1, 2015.

Passed the Senate on May 6, 2015: Yeas 31, Nays 0; passed the House on May 22, 2015: Yeas 140, Nays 0, two present not voting.

Approved June 16, 2015.

Effective September 1, 2015.

**GOVERNANCE AND ADMINISTRATION OF THE TEXAS
WATER RESOURCES FINANCE AUTHORITY**

CHAPTER 626

S.B. No. 1301

AN ACT

relating to the governance and administration of the Texas Water Resources Finance Authority.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 20.012(a), Water Code, is amended to read as follows:

(a) The authority is governed by a board of directors composed of the ~~[six]~~ directors of the development board.

SECTION 2. Section 20.015(b), Water Code, is amended to read as follows:

(b) The board may hold special meetings at the call of the chairman or on request of a majority of the ~~[three or more]~~ directors.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

Passed the Senate on April 9, 2015: Yeas 31, Nays 0; passed the House on May 23, 2015: Yeas 139, Nays 0, one present not voting.

Approved June 16, 2015.

Effective June 16, 2015.

**MAXIMUM CUMULATIVE PERIOD ALLOWED FOR
RESTORATION OF A DEFENDANT'S COMPETENCY TO
STAND TRIAL AND TO CERTAIN TIME CREDITS AWARDED
AGAINST THAT CUMULATIVE PERIOD**

CHAPTER 627

S.B. No. 1326

AN ACT

relating to the maximum cumulative period allowed for restoration of a defendant's competency to stand trial and to certain time credits awarded against that cumulative period.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Article 46B.0095, Code of Criminal Procedure, is amended by adding Subsection (e) to read as follows:

(e) *In addition to the time credit awarded under Subsection (d), the court may credit to*